

Lassen County Economic Forecast

Primarily a mountainous region, Lassen County is located on the eastern slopes of the Sierra Nevada Mountains. The county is home to a wide variety of landmarks and attractions including Lassen National Forest, which covers over one million acres, and Lassen Volcanic National Park, the site of an active volcano.

In 2003, Lassen County's population was estimated at 34,950, an increase over the 2000 Census of only 3.3 percent. The largest urban area and major crossroad for the region is the city of Susanville with a population of 17,900. Susanville, the only municipality in the county, serves as the commercial center for the region and offers a wide variety of retail and business services. The population of Lassen County is projected to eclipse 38,000 by the year 2010, an increase of nearly 9 percent from 2003.

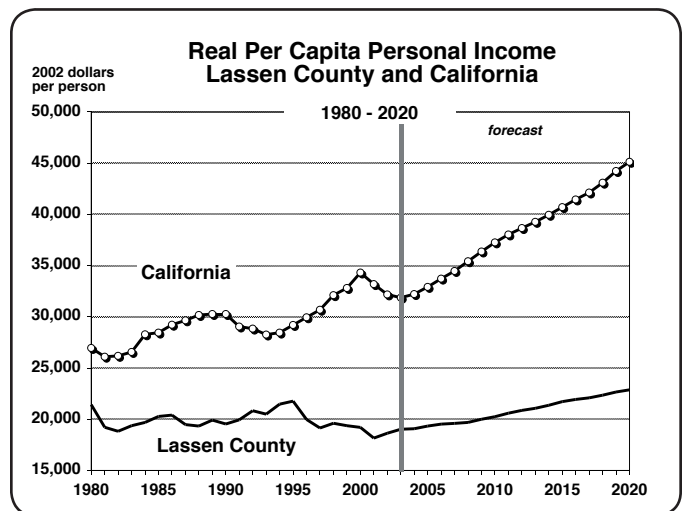
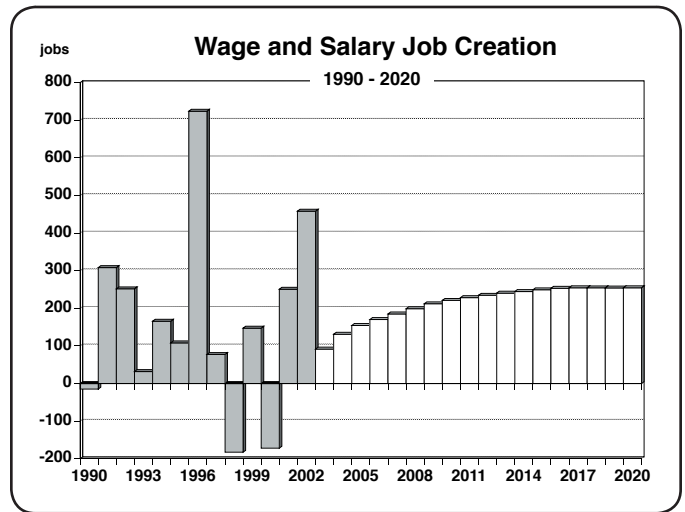
Lassen County's unemployment rate has been steadily declining over the last several years. During 2002, the rate averaged 6.6 percent, the same as the state's annual average unemployment rate for the same year. The unemployment rate is forecast to remain under 7 percent for the remainder of the decade.

Government, the largest industry in Lassen County, accounts for 53 percent of total employment with most of the current jobs in state and local government. Government employment is expected to increase, as the Federal Bureau of Prisons is planning to construct and operate a new facility in the area of Herlong. The prison will be completed in 2004.

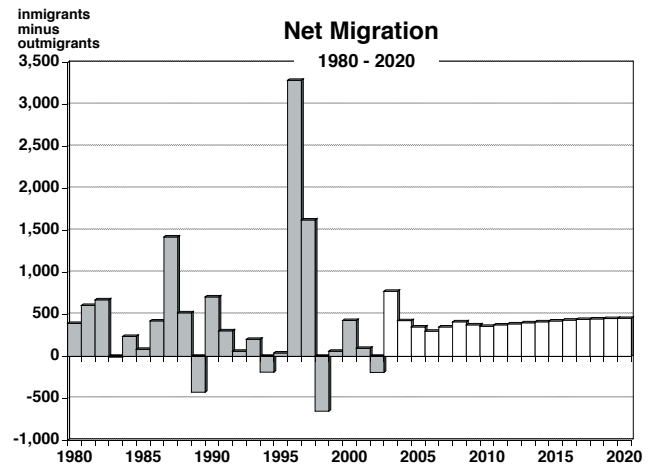
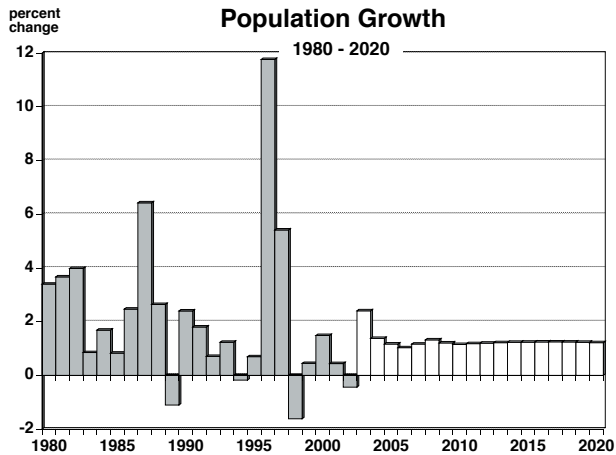
Other significant industries in Lassen County are retail trade which accounts for 16 percent of total employment, and services, which make up 13 percent of the total. Employment in trade and services is forecast to increase slightly over the next 5 years. Most of the employment gain will occur in the public sector, with a projected 600 job increase between 2003 and 2008.

Forecast Highlights

- Non-farm job growth is forecast to rise 1.6 percent per year over the next 5 years. The principal sectors of growth occur in government. Services and manufacturing also add a few new jobs over the 2003 to 2008 period. An average of 155 jobs per year are created between 2003 and 2008.



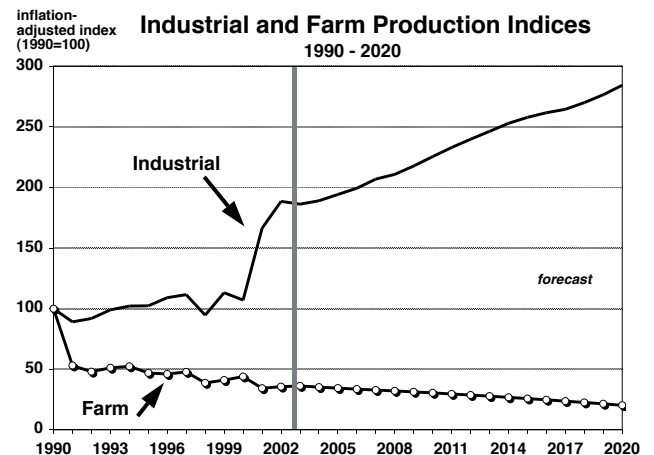
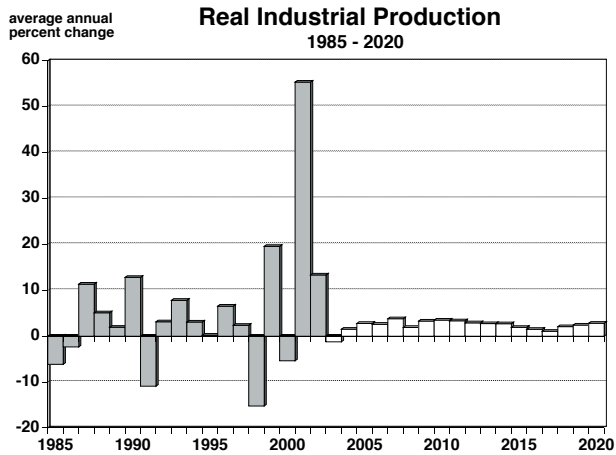
- Inflation-adjusted per-capita income is forecast to rise at the rate of 0.7 percent per year over the next 5 years. In 2002, the average per capita income was \$18,635 per person. By 2008, the level is forecast to be \$19,700.
- Due to an increase in fertility, and continued positive net-migration, the growth in population averages 0.9 percent per year over the next 5 years. The number of new in-migrants is forecast to average 269 persons per year.
- An average of 94 new residential units are forecast each year from 2003 to 2008. This compares with an average of 97 units built between 1997 and 2002 in Lassen County.



Lassen County Economic Forecast

1995-2002 History, 2003-2020 Forecast

| | July Population (people) | Net Migration (people) | Registered Vehicles (thousands) | Households (thousands) | New Homes Permitted (homes) | Retail Sales (millions) | Personal Income (millions) | Real Per Capita Income (dollars) | Farm Crop Value (millions) | Industrial Production (millions) |
|------|--------------------------------|------------------------------|---------------------------------------|---------------------------|-----------------------------------|-------------------------------|----------------------------------|---|-------------------------------------|--|
| 1995 | 28,900 | 40 | 29.1 | 9.1 | 159 | \$122.9 | \$494.1 | \$21,771 | \$47.3 | \$165.4 |
| 1996 | 32,300 | 3,288 | 30.2 | 9.3 | 121 | \$127.8 | \$518.4 | \$19,978 | \$47.4 | \$176.2 |
| 1997 | 34,050 | 1,625 | 28.3 | 9.3 | 84 | \$122.8 | \$541.6 | \$19,140 | \$50.9 | \$180.4 |
| 1998 | 33,500 | -654 | 29.2 | 9.5 | 83 | \$121.6 | \$563.3 | \$19,608 | \$42.6 | \$152.9 |
| 1999 | 33,650 | 61 | 29.9 | 9.6 | 116 | \$130.6 | \$582.6 | \$19,370 | \$47.1 | \$182.8 |
| 2000 | 34,150 | 427 | 31.1 | 9.6 | 107 | \$140.8 | \$612.3 | \$19,204 | \$52.7 | \$173.0 |
| 2001 | 34,300 | 95 | 32.8 | 9.7 | 95 | \$138.7 | \$612.7 | \$18,153 | \$43.3 | \$268.8 |
| 2002 | 34,150 | -191 | 33.8 | 9.8 | 97 | \$146.5 | \$636.4 | \$18,635 | \$45.8 | \$304.6 |
| 2003 | 34,971 | 775 | 35.0 | 9.8 | 98 | \$152.4 | \$682.2 | \$19,028 | \$47.6 | \$300.9 |
| 2004 | 35,454 | 425 | 36.3 | 9.9 | 92 | \$159.2 | \$712.4 | \$19,068 | \$47.6 | \$305.5 |
| 2005 | 35,869 | 350 | 37.5 | 10.0 | 93 | \$167.3 | \$751.1 | \$19,334 | \$47.8 | \$314.0 |
| 2006 | 36,239 | 300 | 38.7 | 10.0 | 94 | \$175.8 | \$787.3 | \$19,524 | \$48.0 | \$322.1 |
| 2007 | 36,662 | 350 | 39.9 | 10.1 | 94 | \$185.3 | \$820.3 | \$19,595 | \$48.1 | \$334.3 |
| 2008 | 37,147 | 411 | 41.0 | 10.2 | 95 | \$195.8 | \$856.9 | \$19,686 | \$48.2 | \$340.7 |
| 2009 | 37,598 | 375 | 42.2 | 10.3 | 95 | \$207.1 | \$904.2 | \$20,001 | \$48.2 | \$351.9 |
| 2010 | 38,031 | 358 | 43.3 | 10.3 | 95 | \$219.8 | \$951.5 | \$20,244 | \$48.3 | \$364.3 |
| 2011 | 38,481 | 374 | 44.4 | 10.4 | 95 | \$233.0 | \$1,007.2 | \$20,591 | \$48.3 | \$376.5 |
| 2012 | 38,943 | 386 | 45.5 | 10.5 | 95 | \$246.3 | \$1,062.8 | \$20,869 | \$48.2 | \$387.4 |
| 2013 | 39,418 | 399 | 46.6 | 10.5 | 95 | \$260.0 | \$1,117.9 | \$21,068 | \$48.0 | \$398.1 |
| 2014 | 39,904 | 411 | 47.7 | 10.6 | 95 | \$273.8 | \$1,179.5 | \$21,368 | \$47.6 | \$408.8 |
| 2015 | 40,399 | 421 | 48.7 | 10.7 | 95 | \$287.8 | \$1,246.7 | \$21,716 | \$47.1 | \$416.7 |
| 2016 | 40,902 | 432 | 49.8 | 10.8 | 95 | \$302.4 | \$1,310.8 | \$21,931 | \$46.5 | \$422.9 |
| 2017 | 41,413 | 440 | 50.8 | 10.8 | 96 | \$317.1 | \$1,376.1 | \$22,090 | \$45.8 | \$427.5 |
| 2018 | 41,928 | 446 | 51.8 | 10.9 | 96 | \$332.6 | \$1,449.8 | \$22,354 | \$44.9 | \$436.3 |
| 2019 | 42,445 | 450 | 52.8 | 11.0 | 96 | \$348.7 | \$1,528.2 | \$22,654 | \$43.7 | \$446.9 |
| 2020 | 42,963 | 452 | 53.8 | 11.0 | 96 | \$364.6 | \$1,602.6 | \$22,868 | \$42.4 | \$459.5 |



| Total Wage & Salary | Farm | Mining & Construction | Manufacturing | Transportation, Utilities | Wholesale, Retail Trade | Finance, Real Estate | Services | Government |
|-----------------------------|------|-----------------------|---------------|---------------------------|-------------------------|----------------------|----------|------------|
| -----employment (jobs)----- | | | | | | | | |
| 8,996 | 301 | 332 | 556 | 284 | 1,673 | 179 | 1,178 | 4,493 |
| 9,720 | 271 | 320 | 508 | 294 | 1,655 | 193 | 1,299 | 5,181 |
| 9,798 | 221 | 296 | 490 | 300 | 1,648 | 213 | 1,301 | 5,330 |
| 9,615 | 234 | 233 | 517 | 274 | 1,632 | 182 | 1,276 | 5,268 |
| 9,763 | 317 | 240 | 532 | 251 | 1,643 | 170 | 1,250 | 5,361 |
| 9,591 | 240 | 178 | 529 | 249 | 1,663 | 160 | 1,219 | 5,352 |
| 9,842 | 280 | 440 | 472 | 240 | 1,610 | 170 | 1,250 | 5,380 |
| 10,300 | 410 | 530 | 450 | 250 | 1,660 | 170 | 1,320 | 5,510 |
| 10,392 | 264 | 502 | 467 | 261 | 1,662 | 172 | 1,337 | 5,726 |
| 10,523 | 264 | 495 | 483 | 266 | 1,672 | 171 | 1,349 | 5,823 |
| 10,678 | 263 | 493 | 497 | 268 | 1,689 | 171 | 1,360 | 5,938 |
| 10,848 | 263 | 493 | 508 | 268 | 1,713 | 171 | 1,370 | 6,062 |
| 11,033 | 263 | 496 | 517 | 267 | 1,745 | 171 | 1,381 | 6,194 |
| 11,232 | 263 | 502 | 525 | 267 | 1,783 | 171 | 1,392 | 6,330 |
| 11,445 | 262 | 508 | 531 | 266 | 1,828 | 171 | 1,403 | 6,475 |
| 11,666 | 262 | 514 | 536 | 266 | 1,878 | 171 | 1,416 | 6,623 |
| 11,894 | 262 | 520 | 540 | 265 | 1,931 | 171 | 1,429 | 6,776 |
| 12,129 | 262 | 527 | 543 | 264 | 1,986 | 171 | 1,442 | 6,935 |
| 12,370 | 261 | 533 | 545 | 263 | 2,041 | 171 | 1,456 | 7,098 |
| 12,615 | 261 | 539 | 548 | 263 | 2,097 | 171 | 1,470 | 7,266 |
| 12,864 | 261 | 546 | 550 | 262 | 2,151 | 171 | 1,484 | 7,439 |
| 13,117 | 260 | 552 | 552 | 262 | 2,204 | 171 | 1,499 | 7,617 |
| 13,372 | 260 | 558 | 553 | 261 | 2,255 | 171 | 1,514 | 7,799 |
| 13,627 | 260 | 564 | 555 | 260 | 2,305 | 171 | 1,529 | 7,982 |
| 13,881 | 260 | 570 | 556 | 260 | 2,354 | 171 | 1,544 | 8,167 |
| 14,136 | 259 | 576 | 557 | 259 | 2,401 | 171 | 1,560 | 8,353 |

